

**THE <sup>1</sup>[Khyber Pakhtunkhwa] FAIR PRICE  
SHOPS (FACTORIES) RULES, 1985<sup>2</sup>**

No. SOL. 1-30.--November 12th, 1985.--In exercise of the powers conferred by section 17 of the <sup>3</sup>[Khyber Pakhtunkhwa] Fair Price Shops (Factories) Ordinance 1983 (<sup>4</sup>[Khyber Pakhtunkhwa] Ord. No. J of 1983). Government of the <sup>5</sup>[Khyber Pakhtunkhwa] is pleased to make the following rules, namely:-

**1. Short title and application--** (1) These rules may be called the <sup>6</sup>[Khyber Pakhtunkhwa] Fair Price Shops (Factories) Rules, 1985.

(2) They shall apply to such factories or class of factories to which the Ordinance is applicable.

**2. Definitions.** -In these rules unless there is anything repugnant in the subject or context,--

- (a) "factory" means a factory to which the Ordinance applies;
- (b) "forms" means a form appended to these rules;
- (c) "Inspector" means Inspector of the area concerned;
- (d) "member" means a member of the Managing Committee and includes the Chairman;
- (e) "Ordinance" means the <sup>7</sup>[Khyber Pakhtunkhwa] Fair Price Shops (Factories) Ordinance, 1983;
- (f) "worker's representatives" means a member of a Managing Committee representing the workers.

**CHAPTER II  
Constitution of Managing Committee**

**3. Time limit for constituting Managing Committee.** --In every factory there shall be constituted a Managing Committee within one month from the date of application of the Ordinance to the factory or the expiry of the term of a Managing Committee, or the dissolution of a Managing Committee, as the case may be:

Provided that Government may, for the sufficient reasons by an order in writing, extend the said period in respect of a factory or class of factories.

<sup>1</sup> Sub. by the Khyber Pakhtunkhwa Act No IV of 2011.

<sup>2</sup> Khyber Pakhtunkhwa Govt. Gaz. Extr., 20th Nov. 1985, p.561.

<sup>3</sup> Sub. by the Khyber Pakhtunkhwa Act No IV of 2011.

<sup>4</sup> Sub. by the Khyber Pakhtunkhwa Act No IV of 2011.

<sup>5</sup> Sub. by the Khyber Pakhtunkhwa Act No IV of 2011.

<sup>6</sup> Sub. by the Khyber Pakhtunkhwa Act No IV of 2011.

<sup>7</sup> Sub. by the Khyber Pakhtunkhwa Act No IV of 2011.

**4. Nomination of members of Managing Committee-**(1) The Chief Inspector shall serve a notice in writing on the employer of a factory and in case such factory has a collective bargaining agent, on the collective bargaining agent thereof, requiring him to nominate their respective members of the Managing Committee, within one week of the receipt of such notice.

- (2) The notice under sub-rule (1) shall be served by the Chief Inspector,--
- (a) in case of the first Managing Committee of a factory, within one week of the application of the Ordinance to that factory; or
  - (b) in case of expiry of the term of a Managing Committee or dissolution of a Managing Committee, within one week of the expiry of the term or its dissolution, as the case may be.

(3) If the employer or the collective bargaining agent or both fail to nominate their respective members to the Managing Committee within the period specified in sub-rule (1), the Chief Inspector shall nominate the member on behalf of the employer or the collective bargaining agent or both, as the case may be, within one week of the expiry of the said period.

**5. Voter's lists for election of worker's representatives.**—(1) Where there is no collective bargaining agent in a factory the employer shall within one week from the date of the application of the Ordinance to the factory, or the expiry of the term of a Managing Committee or the dissolution of a Managing Committee, as the case may be -

- (i) inform the inspector that there is no collective bargaining agent in his factory;
- (ii) cause a list of voters to be prepared in which shall be included the name of every worker for the time being employed in the factory, his parentage, age section or department, ticket number, date of employment in the factory and the place where he is employed, and send it to the inspector, and
- (iii) display a list of voters prepared under clause (ii) at or near main gate of the factory.

(2) Any worker aggrieved by a list of voters displayed under sub-rule (1) may appeal to the Inspector within seven days of this display of the list, and the decision of the Inspector on such appeal shall be final.

**6. Election programme.** —(1) The Inspector shall, within one week from the receipt of information under sub-rule(1), of the rule 5, fix programme for election of worker's representatives on the Managing Committee, giving time, place and date for--

- (a) receiving nominations from candidates for election of workers' representatives;

- (b) withdrawal of nominations;
- (c) publication of final list of voters and candidates for election as workers' representatives;
- (d) holding of the secret ballot within one week of the closing date for receiving nomination in case there are more nominations than the number of workers' representatives on the Managing Committee; and
- (e) counting of votes and announcement of results of election.

(2) The Inspector may require the employer to display the election programme at or near the main gate of the factory and the employer shall immediately comply with the directions given by the Inspector in this behalf.

**7. Eligibility of voting, election, etc.**-Every worker whose name appears in the voters lists referred to in sub-rule (1) of rule 5 shall be-

- (a) eligible to be elected as worker's representative;
- (b) entitled to vote at the poll in the election of the workers;' representatives; and
- (c) entitled to propose or second the candidature of any worker eligible for election as workers' representative.

**8. Nomination for election.** -(1) The Inspector shall--

- (a) receive nomination paper in form 'A' duly signed by the candidate to whom it relates and the voters proposing and seconding him and give a receipt thereof to the candidate stating therein the date and time of receipt of the nomination paper;
- (b) scrutinize on the day following the last day fixed for filing the nomination papers, the nomination papers in the presence of such of the candidates and their proposers as may be present and reject those Forms which are found by him to be invalid for the reason that the candidate is ineligible to take part in the election under these rules.

**9. Scrutiny of nominations and election of un-opposed candidates.** -(1) If the number of candidates, whose nomination papers have been found valid, is-

- (a) equal to the number of the workers' representatives, on the Managing Committee the candidate shall be forthwith declared by the Inspector to be duly elected; or
- (b) less than the number of such representatives, the candidate or candidates, as the case may be, shall forthwith be declared by the Inspector to be duly elected and fresh nominations shall be invited and

election held for the remaining representatives in accordance with these rules; or

- (c) more than the number of such representatives, voting shall take place on the date fixed for election.

**10. Voting in election.** -(1) The election shall be held on the date, time and place notified by the Inspector under these rules.

(2) The Inspector shall on the said date-

- (a) place at the polling station set up for the purpose ballot boxes duly sealed in the presence of the representatives of the contesting candidates as to receive therein the ballot papers;
- (b) conduct the polling at the polling station at which the representatives of the contesting candidates shall have the right to be present; and
- (c) ensure that no person canvasses for vote within fifty yards of the polling station.

(3) The voting shall be held by secret ballot. The ballot paper shall be in Form 'B' and it shall be issued by the Inspector against the list of voters. He shall score out the names of all those voters who have been issued the ballot paper after the scrutiny.

(4) A worker shall be allowed to mark against as many names on the ballot papers as are the numbers of worker's representatives on the Managing Committee. If there are two vacancies for worker's representatives, a worker shall be entitled to mark the ballot paper against not more than two names. If he marks twice against the same, he shall be deemed to have cast only one vote.

**11. Result of election.** -After conclusion of the polling, the Inspector, in the presence of such of the representatives of the contesting candidates as may be present, shall-

- (a) open the ballot boxes and count the votes;
- (b) declare, after the conclusion of the counting of the votes such number of candidates as may be equal to number of worker's representatives, who have secured the highest number of votes, as having been elected as workers' representatives; and
- (c) in case of a tie between two or more such candidates as are referred in clause (ii) above declare the successful candidate or Candidates, as the case may be, by draw of lots to be held in the presence of the said candidates or their representatives;

Provided that the draw of lots shall be resorted to only where the number of workers' representatives on the Managing Committee is less than the number of the candidates amongst whom there is a tie.

**12. Employer to make arrangements for election without interfering there with.** -The employer shall make all arrangements and provide all facilities in connection with the holding of elections and bear all expenses incidental thereto but shall not interfere in the election proceedings or in any manner influence the workers to cast their votes in favour of a particular candidate or candidates,

**13. Casual Vacancies.** -In the event of the office of Chairman or any member or the Managing Committee falling vacant, on account of his ceasing to be employed in the factory, death or resignation, the resultant vacancy shall be filled, for the remaining portion of the term of the holder of such office in the same manner as prescribed for the constitution of the Managing Committee.

**14. Chief Inspector to decide election disputes--**Save as provided in sub-rule (2) of rule 5, the Chief Inspector may, either on appeal or otherwise, decide any matter relating to or in connection with the election under this chapter and his decision thereon shall be final.

### **CHAPTER III Nomination of Chairman of Managing Committee**

**15. Nomination of Chairman of the Managing Committee.** -(1) The employer shall, within one week of the nomination or election as the case may be, of the members of the Managing Committee, convene a meeting of the members at the factory premises and ask them to nominate a person to be the Chairman of the Managing Committee.

(2) In case the members unanimously nominate a Chairman, a copy of the resolution to that effect shall immediately be sent by them to the Inspector, Chief Inspector and the employer. If they fail to unanimously agree to the nomination of the Chairman, a report to that effect shall be made by the employer in Form 'C' and sent to the Inspector and the Chief Inspector within forty eight hours.

(3) On the receipt of a report in Form 'O' the Chief Inspector shall nominate such person as he deems fit to be the Chairman of the Managing Committee.

### **CHAPTER IV Meetings of and the Transaction of Business by the Managing Committee**

**16. First meeting and ordinary meetings of Managing Committee.** -(1) The Chairman shall, within one week of the assumption of his office, convene the first meeting of the Managing Committee.

(2) If for any reason the first meeting was not convened by the Chairman within the specified period the employer shall convene such meeting within one week of the expiry of the said period.

(3) The ordinary meeting of the Managing Committee shall be held twice a month on such dates as may be determined by the Managing Committee in its first meeting.

**17. Election of Secretary, Managing Committee and his functions.** -(1) At the first meeting of the Managing Committee, one of the members shall be elected, by show of hands, as Secretary of the Managing Committee.

(2) The Secretary of the Managing Committee shall, among other matters, be responsible for the following;

- (a) summoning of meetings;
- (b) issuing of agenda to the members;
- (c) keeping the record of the minutes of the meetings;
- (d) conveying directions of the Managing Committee to the Manager of the fair price shop and his assistants;
- (e) corresponding on behalf of the Managing Committee; and
- (f) performing such other functions as the Managing Committee may, from time to time, direct.

**18. Special Meetings of Managing Committee.** -Any two members of the Managing Committee, may, by a prior notice in writing of three days to all other members and Chairman of the Managing Committee and the employers call a special meeting which shall deliberate on the agenda circulated along with such notice.

**19. Chairman to preside over the Meetings of the Managing Committee.** -- The Chairman shall preside over the meetings of Managing Committee. In case he is unable to attend any meeting of the Managing Committee due to his illness or otherwise, the members attending the meeting, by a majority of votes, elect one of them to be the acting Chairman for that meeting and in case the members are equally divided over the question of the election of the acting Chairman, the question shall be decided by draw of lots.

**20. Quorum.** -The quorum for a meeting of a Managing Committee shall not be less than half of the total number of its members.

**21. Minute Book.** -The proceedings of the Managing Committee shall be reduced in writing in the form of minutes in the Minute Book and such minute shall be presented by the Secretary of the Managing Committee of its next meeting for approval by the members.

**22. Decisions.** --The Managing Committee shall, as far as possible, resolve unanimously on the items of agenda especially these specified in clauses (a) to (d) of sub-section (1) of section 11 of the Ordinance, but wherever difference of opinion occurs among the members, the decision shall be taken by majority of votes and in case the members are equally divided, the Chairman or the member presiding over the meeting, as the case may be, shall have a second or casting vote.

**23. Notification of decisions regarding fair price shop.** -The Managing Committee shall notify, from time to time on the notice board of the factory as well as a

board set up for the purpose outside the fair price shop, extent of its decisions, about the quantity of such essential articles as shall normally be available for sale to a worker in a month, the timings of opening and closing of the shop, mode of payment and such other matters as it thinks proper to display.

## **CHAPTER V**

### **Management of Fair Price Shop**

**24. Employer's responsibility regarding fair price shop.** -The employer shall be responsible for the proper management of the fair price shop and its stores. He shall manage the shop, at his own cost, through a manager and such other assistants, as he may deem necessary.

**25. Worker's Card for essential articles.**-(1) The employer shall issue card in Form 'D' to each worker in his factory specifying the worker's name, token number, date of employment, names of the members of his family, their age and quantity of each article which the worker shall be entitled to purchase at the shop each month.

(2) The worker shall forthwith surrender the card to the Manager of the fair price shop or the employer upon its ceasing to be a worker in the factory.

(3) In the event of a worker's card being lost, misplaced or destroyed, a new card shall be issued to him by the employer on payment of fifty paise, but where it becomes necessary to issue a new card to a worker because there is no space in the fold card to make entries therein, the same shall be issued free of charge.

(4) No worker shall be issued any article by the manager of the fair price shop unless the worker presents his card on the counter and corresponding entries of the articles supplied to him either on cash or credit are made therein.

**26. Registers.** -The manager of fair price shop shall--

- (a) maintain a purchase register in Form 'E' in relation to the articles purchased for the shop;
- (b) maintain a stock register in Form 'F' showing daily transaction and stocks; and
- (c) issue a cash memo, in Form 'G' to each worker for the articles sold to him, on cash.

**27. Sale on credit**-A worker is within the meaning of section 9 of the Ordinance, entitled to purchase articles from the fair price shop on credit but no such article shall be sold to him on credit unless he has signed the receipt in Form 'H' consenting to the lump sum deduction of the price of the articles mentioned in the receipt from his wages.

**28. Annual Statement of account and stock.** -The employer shall prepare or cause to be prepared concise statement of accounts and stocks as on the 30th day of June

every year and submit a copy thereof to the Managing Committee, the Inspector and the Chief Inspector.

## **CHAPTER VI Miscellaneous**

**29. Duties of Chief Inspector, Inspector, etc.** -The Chief Inspector or an Inspector may, within local limit of his jurisdiction;-

- (a) enter, with or without assistance of persons in the service of the Government, any fair price shop or its stores or office or any building or premises where the stocks, documents, registers of such shop are kept or maintained.
- (b) make such examination of the premises and of any registers or documents, and collect such evidence as he may deem necessary for carrying out the purposes of the Ordinance and the rules; and
- (c) exercise such other powers as may be necessary for carrying out the purposes of the Ordinance and these rules:

Provided that no one shall be required under this rule to answer any question or to give any evidence tending to incriminate himself.

**30. Powers of Managing Committee.** -The Managing Committee may—

- (a) prescribe, from time to time, any register or document to be maintained by the employer in relation to the working of the fair price shop; and
- (b) require the employer to furnish such periodical information as it considers fit, in order to carry into effect the provisions of the Ordinance and these rules.

**31. Production of record for Inspectors.** -The employer shall be responsible for proper maintenance of all registers and records prescribed by or under these rules and shall produce or caused to be produced the same for inspection of the Managing Committee when so desired by it

---



**FORM 'A'**  
*[See rule 8(1)]*

Name of the Factory:

I nominate Mr. Miss/Mrs.

(here enter the name of workers' representative eligible for election as a candidate for election to the Managing Committee).

Dated.....

Signature of the Seconder.....

Name of the Seconder.....

Card No. of the Seconder.....

Token No. of the Seconder.....

Signature of the proposer.....

Name of the proposer.....

Card No. of the proposer.....

Token No. of the proposer.....

I agree to the proposed nomination

Dated.....

Signature of the Candidate.....

Name of the Candidate.....

Card No. of the

Candidate.....

Token No, of the

Candidate.....

\_\_\_\_\_

**FORM 'B'**

*[See rule 10 (3)]*

**Ballot Paper**

Name of the Candidate

Identity symbol

space for marking

1.....

2.....

3.....

4.....

\_\_\_\_\_

**FORM 'C'**  
[See rule 15 (2)]

Name and address of the factory. ....

To .....  
(here write the address of Inspector,  
the Chief Inspector.)

Dear Sir,

It is regreted to inform you that at the meeting held on.....  
in pursuance of sub-rule (1) of rule 15 of the <sup>8</sup>[Khyber Pakhtunkhwa] Fair Price Shops  
(Factories) Rules 1985, to nominate a Chairman, it has not been possible for the members of  
the Managing Committee to unanimously agree to the nomination of any person as Chairman.  
This report is, therefore, sent to you for necessary action.

Yours faithfully,

.....  
signature of the  
employer

Date and time of the despatch of the report.

\_\_\_\_\_

**FORM 'D'**  
[See rule 25(1)]  
**Fair Price Shop Card**

Card No.....  
Name ..... and ..... address ..... of ..... the  
factory.....  
Certified that Mr. Miss/Mrs./.....Token/Card  
No.....  
employed in this factory as .....in  
.....

Department/section and drawing Rs.....p.m. whose date of employment in the factory  
is..... is entitled to purchase th6 following essential articles from the fair  
price shop of the said factory in the following quantities each week/month;-

Articles.	Quantity,
1. Wheat.	

<sup>8</sup> Sub. by the Khyber Pakhtunkhwa Act No IV of 2011.

2. Pulses.
3. Wheat Flour.
4. Vegetable Ghee.
5. Coarse Cloth
6. Laundry Soap.
7. Sugar.

The verified list of his family members is as under:-

Name	Age	Relationship with the worker
1.		
2.		
3.		
4.		

*Signature of the employer.*

(2)

No. and date of Cash Memo.	Description of goods purchased.	Value of Goods purchased	Shop manager/ Saleman

(3)

No. and date of Cash Memo.	Description of goods purchased.	Value of Goods purchased.	Shop manager/ Saleman.

(4)

1. This card is non-transferable.
2. Renewal of card shall be made on surrender of this card. In case of loss, misplacement or destruction of the card. A duplicate shall be issued on payment of fifty paisa only after necessary verification.
3. The loss or mis-placement of this card must be reported to the Manager of the fair price shop immediately.
4. In case of misuse, the card is liable to be cancelled.
5. Please check your balance and purchased articles at the counter, before taking delivery. The management shall not be responsible for any complaint afterwards.
6. Please stand in a queue to avoid unnecessary inconvenience.

7. All complaints and suggestions must be addressed to the Managing Committee of the fair price shop.

---

**FORM 'E'**  
[See rule 26 (a)]  
**Purchase Register**

Serial No.	Name of the article	Quantity indented with date	Quantity received with date	Quantity procured without indent on the spot with date	Price ex-factory wholesale	Cost of incidentals
1	2	3	4	5	6	7

---

**Form 'F'**  
[see rule 26(b)]  
**Stock Register for.....**

Date	Opening Stock	Totals Sales	Balance	Fresh receipt	Closing Balance
1	2	3	4	5	6

---

**FORM 'G'**  
[See rule 26 (c)]  
**Cash Memo**

No.....

Date.....

**FAIR PRICE SHOP**

Name and address of the factory.....

Certified that Mr./Mtes/Mrs..... Fair Price Shop Card

No..... was sold the following articles on cash/credit for the value stated against each article--

Name and description of the articles sold.	Rate	Value
	Rs.	Paisa/

*Signature of the Manager of the  
Fair Price Shop.*

Total.....

---

**FORM 'H'**  
*[Seerule27]*  
**Receipt of Goods Purchased on Credit**

Name and address of factory.

I do hereby valuntarily and willingly consent to the deduction of any amount in lump-sum from my wages/pay which may be outstanding against me on account of pure-chase of articles on credit from the Fair Price Shop.

Date..... Signature ..... of  
worker.....

Designation.....I.....

...

Token

No.....

Shop/Department

in.....

which employed at

present.....

\_\_\_\_\_